

Before the
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

New Boston Post Office
New Boston, Illinois

Docket No. A2012-38

PUBLIC REPRESENTATIVE COMMENTS
(January 5, 2012)

The Postal Service has determined to close the New Boston, Illinois post office and provide delivery and retail services by rural route service and cluster box units (CBUs) under the administrative responsibility of the Joy Post Office. Petitioners claim the Postal Service failed to consider the negative effects the closure of the New Boston post office will have on the New Boston community and postal services. The Postal Service asserts that it followed all procedures and considered all factors required by law. After careful review of the Postal Service's Final Determination, the materials in the Administrative Record, the arguments presented by Petitioners, and the Postal Service Comments, the Public Representative concludes that the Postal Service has followed applicable procedures, that the decision to close the New Boston post office is neither arbitrary nor capricious, and that the Postal Service's decision is supported by substantial evidence. For the reasons set forth below, the Public Representative concludes the decision of the Postal Service to close the New Boston post office should be affirmed.

On October 27, and October 28, 2011, the Commission received an appeal from LuAnn Krengle (Petitioner Krengle) and Barbara O'Hearn, respectively, objecting to the

closing of the New Boston, IL Post Office.¹ On November 2, 2011, the Commission issued Order No. 944, accepting the appeals, directing the Postal Service to file the administrative record, establishing a procedural schedule, and naming the undersigned Public Representative.² On November 14, 2011, the Postal Service filed the Administrative Record.³ On December 2, 2011, Petitioner O'Hearn filed a statement, and on December 7, 2011, Petitioner Krengle filed a statement.⁴ On December 21, 2011, the Postal Service filed Comments in lieu of a brief.⁵ The Postal Service will continue to provide retail and delivery service to New Boston via rural carrier administered by Joy post office. FD at 1; Postal Service Comments at 3.

Effect on Community: Petitioners claim the Postal Service failed to consider the effects the New Boston post office closure will have on the community. Petitioners assert the community was improperly notified of the closure, and that the closure will produce a hardship for elderly and handicapped customers,⁶ harm local businesses,⁷

¹ Petition for Review and Application for Suspension of Determination Received from LuAnn Krengle Regarding the New Boston, IL Post Office 61272, October 27, 2011 (Krengle Petition); Petition for Review and Application for Suspension of Determination Received from Barbara O'Hearn Regarding the New Boston, IL Post Office 61272, October 28, 2011 (O'Hearn Petition).

² Order No. 944, Notice and Order Accepting Appeal and Establishing Procedural Schedule, November 2, 2011. The Commission later filed a Notice of Errata, November 2, 2011, and a second Notice of Errata, November 4, 2011, rescheduling the due dates for the Postal Service's Administrative Record and Reply Briefs.

³ United States Postal Service Notice of Filing Administrative Record, November 14, 2011 (AR). The AR includes, the Final Determination to Close the New Boston, IL Post Office and Extend Service by Rural Route Service (FD). The AR consists of 51 items and identifies the FD as Item No. 47. However, while the FD is located between AR Item No. 46 and AR Item No. 48, it is neither identified by an Item No., nor does it contain numbered pages. For the simplicity of these comments, the first page of the FD will be considered page 1 and the last will be page (the one that includes the signature of Mr. Dean Granholm) will be page 8. All references thereto will be in the following format: FD at ____.

⁴ Participant Statement Received from Barbara O'Hearn, December 2, 2011 (O'Hearn Statement); Participant Statement Received from LuAnn Krengle, December 7, 2011 (Krengle Statement).

⁵ United States Postal Service Comments Regarding Appeal, December 21, 2011 (Postal Service Comments).

⁶ O'Hearn Petition at 1.

⁷ Krengle Petition at 1.

and cause New Boston to lose a significant meeting place.⁸ A review of the record shows that the Postal Service considered these issues and addressed the New Boston community's concerns.

Petitioner O'Hearn claims proper notice of the closure was not provided to the New Boston community, stating, "We were only given 3 days notice before you [the Postal Service] closed the post office." O'Hearn Statement at 1. However, the administrative record provides evidence the Postal Service followed the proper notice procedures before closing the New Boston post office. On April 15, 2011, the Postal Service provided a notice informing customers of a proposed change in their postal service. AR Item No. 21. The notice asked customers' opinion on the postal services provided by the New Boston post office prior to its February 4, 2011, due to failed lease negotiations; and on retail and delivery services provided by the Joy post office during the suspension. *Id.* The notice informed customers that questionnaires were available and would be considered by the Postal Service. *Id.* Subsequently, questionnaires were distributed to all post office box customers and available over the counter to all retail customers at the New Boston post office. *Id.*, Item No. 20.

The Postal Service held a meeting at the New Boston Community Hall on February 23, 2011, to address the concerns of the New Boston customers. *Id.*, Item No. 24 at 1. Seventy-four New Boston residents were present. *Id.* The Postal Service posted its proposal to close the suspended New Boston' post office at both the New Boston and Joy post offices from June 3, 2011 through August 4, 2011.⁹ AR Item Nos. 33 and 41. Finally, the Postal Service posted notice of its final determination to close the New Boston post office from September 29, 2011 through October 31, 2011, at both the New Boston and Joy post offices. The Postal Service provided proper and ample

⁸ *Id.*; O'Hearn Petition at 1; Kregle Statement at 1.

⁹ Proposal to Close the Suspended New Boston, IL Post Office and Establish Service by Rural Route (Revised), June 3, 2011 (Proposal).

notice to New Boston community that its suspended service may change and that this change may constitute a closure of the New Boston postal facility.

Responding to customers' concern regarding the New Boston community's identity, the Postal Service stated it is preserving the community identity by continuing to use the New Boston community name and zip code for the new addresses assigned as a result of the established carrier route. FD at 4, Concern No. 14; *Id.* at 5, Concern No. 20. It also assured those who already live on a rural delivery and not have a post office box, their delivery address will remain the same. *Id.*

There is no evidence of the closure of the New Boston post office will impose hardship on the New Boston individuals or businesses. As of February 4, 2011, the New Boston post office was suspended, due to failed lease negotiations. FD at 2. "Since the suspension of service, customers have received delivery and retail services by rural route service emanating from the Joy post office, an EAS-13 level office, located 7 miles away. *Id.* This will remain the case once the New Boston post office is discontinued. *Id.* In addition, the Postal Service is providing CBUs: secure, free-standing, individually locked mail compartments, at no cost to the customer. *Id.* The New Boston community is primarily comprised of farmers, retirees, the self-employed, and commuters who travel outside of New Boston for regular services and supplies, and in some cases, postal services. AR Item No 16 at 1; *Id.* Item No. 22. The same services provided at the Joy post office will be available from the carrier. FD at 4. For this reason, carrier service is beneficial to the elderly and those who find it difficult to access mail by travelling to and from a post office. *Id.* at 2-3. In addition, special provisions may be made for hardship cases or customers with special needs. *Id.* at 2.

While local businesses may not support the closure of the New Boston post office, the information provided to the Postal Service through the New Boston customer questionnaires indicates that the majority of New Boston customers who currently patronize local businesses will continue to do so, regardless of whether the New Boston post office is discontinued. AR Item No. 22. Conversely, given the distance of 7 miles to the Joy post office, there is no evidence that the closure of New Boston will adversely

affect the migration of new businesses to New Boston, Illinois. FD at 3, Concern 4. Petitioners also raise the concern that closure will may be problematic for businesses in terms of pick-up times and bulk mailing. Krengle Statement at 2; O'Hearn Statement at 2. The Postal Service responded by informing customers that CBUs and carrier service are available to both residents and businesses, and confirmed that New Boston businesses would continue to have to travel to the Joy post office or another nearby post office when mailing commercial bulk mail; noting the New Boston post office did not have permit holders or postage meter customers who used bulk mail. Postal Service Comments at 9, FD at 8; AR Item No. 15; AR Item No. 41 at 8.

Petitioners express concern that the discontinuance of the New Boston post office will result in the loss of a meaningful social gathering place.¹⁰ While the closure may take away a convenient and nostalgic meeting site, this is not a basis for maintaining the New Boston post office. The closure of the New Boston post office will not leave the New Boston community without other meeting places. As the Postal Service points out, New Boston residents may continue to gather at other local cites, businesses, churches and residences in the community. Postal Service Comments at 11.

Effect on Postal Services: Petitioner O'Hearn claims the discontinuance of the New Boston post office will result in a decline in postal service, accessibility to those services, and the mail security. O'Hearn Petition at 1. However, the record shows the Postal Service will be able to provide effective and proper postal service to New Boston customers with services emanating from the Joy post office.

Since its suspension on February 4, 2011, the retail and delivery services provided to New Boston's 320 post office box holders and 384 delivery route customers have been serviced by the Joy post office. FD at 8. After the discontinuance, the retail and delivery services for the New Boston community will continue to emanate from the

¹⁰ O'Hearn Petition at 1; O'Hearn Statement at 2; Kregle Statement at 1.

Joy post office. *Id.* Free-standing, individually locked mail compartments, known as cluster box units (CBUs), will also be erected as a receptacle option for New Boston customer's at no cost. The Joy post office is an EAS 13 level office with 150 available post office boxes, located approximately 7 miles away. FD at 2.

The Postal Service will continue to provide New Boston customers with efficient regular postal service after the closure of the New Boston post office. New Boston customers may opt for a CBU, 150 customers will have the option of renting a post office box at the Joy post office, and delivery services will be provided rural carrier. *Id.*; Postal Service Comments at 6-7. Petitioner O'Hearn expressed concern that the inclement winter weather may freeze the CBU locks and impede service access to the mail. O'Hearn Petition at 1. The Postal Service addressed this issue, noting that inclement weather has always been a factor in mail delivery and on postal employees. "The Postal Service makes every effort to provide a safe environment for its customers and employees," and CBU maintenance is available from the Joy post office if problems with the CBUs occur. FD at 5, Concern No. 22; Postal Service Comments at 7.

Rural route carrier will offer the same services provided at the Joy post office, and the most common post office transactions do not require meeting the carrier at the mailbox. FD at 2; Postal Service Comments at 8. This is especially beneficial to senior citizens and customers with special challenges, "because the carrier can provide delivery and retail services to roadside mailboxes or cluster box units." Postal Service Comments at 8. In addition, the Postal Service offers special provisions for hardship cases or special customer needs. FD at 2, Concern No. 2; *Id.*, at 4 Concern No. 10; Postal Comments at 8.

The Public representative finds that the Postal Service has considered postal services and reasonably determined that establishing a rural route carrier and CBU service would be cost effective and enable it to continue providing regular and effective service to the New Boston community. FD at 2; Postal Service Comments at 15.

Economic Savings: The Postal Service estimates it will save \$26,700, annually, through the closure of the New Boston post office, with a one-time cost of \$15,361, to construct CBUs. FD at 7; Postal Service Comments at 13. Petitioner Kregle argues the Postal Service relies on a flawed window transaction survey and fails to take advantage of the New Boston residents' offer to construct a new building in to house a New Boston post office. O'Hearn Statement 2; O'Hearn Statement at 2. The Public Representative finds that the Postal Service has inflated the total savings expected by including the salary of a New Boston postmaster, yet finds that there are sufficient economic savings to justify the New Boston post office closure.

As the Postal Service notes, the New Boston post office's suspension made it impossible to perform a window transaction survey at the location. Postal Service Comments at 8. However, the Postal Service was able to evaluate the "incoming and dispatched mail that would have gone through the New Boston Post Office and calculate[] a Workload Service Credit" that produced information used to support New Boston post office's discontinuance. *Id.*

The Postal Service should be compelled to use its current finances to compile its savings tally. The Postal Service estimates it will save \$26,700, annually, by closing the New Boston post office, the majority of this is attributable to the postmaster salary and benefits. FD at 2. The New Boston postmaster retired November 30, 2009, and a career employee was installed as the Officer-In-Charge (OIC) until the post office's suspension in February 4, 2011. The Postal Service should use the numbers before it, i.e., the salary and any benefits paid to the OIC as this payment, which were sufficient to run the New Boston post office between November 30, 2009, and February 4, 2011. Any and all New Boston savings attributable to the retired postmaster have already been received, and the proper time for them to be calculated into savings was at the time of postmaster's retirement in 2009. It is inappropriate to attribute savings regarding a departed postmaster, *ad infinitum*.

Petitioners assert that the city of New Boston is willing to construct a building to house the city hall and a New Boston post office. O'Hearn Statement at 2. So long as

the new building lease and the actual OIC salary and benefits total more than \$26,909, the closure of the New Boston post office will result in economic savings, of some sort. However, without such information, it is impossible to determine what savings, if any, will result from the closure of the New Boston post office, especially given the one-time cost of \$15,361 for CBU construction and/or “movement of this facility.” FD at 7.

The Public Representative finds that while the Postal Service did consider the economic savings of the New Boston post office, it did not use the proper data to calculate its results, thus its savings are at best, inflated. The Public Representative urges the Commission to hold the Postal Service to task by requiring it provide current accurate data, supported by the record, to calculate the economic savings associated with any post office closing.

Conclusion. While the economic savings reported by the Postal Service are, at best, inflated, other evidence supports the closure of the New Boston post office. New Boston customers received ample notice of the proposed and final change to their postal services. The discontinuance of the New Boston post office will have minimal effect on the New Boston community. The Postal Service has demonstrated that it will continue to provide New Boston customers with regular and efficient retail and delivery service emanating from the Joy post office, as has been the case since the New Boston’s suspension in February 2011. For the reasons stated above, the Public

Representative concludes the decision of the Postal Service to close the New Boston, Illinois post office should be affirmed.

Respectfully Submitted,

/s/ Tracy N. Ferguson

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